Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006

Message Text

UNCLASSIFIED

PAGE 01 ANKARA 08154 261307Z

47
ACTION EUR-12

INFO OCT-01 NEA-10 ISO-00 AID-05 CIAE-00 COME-00 EB-07

FRB-01 INR-07 NSAE-00 USIA-15 TRSE-00 XMB-04 OPIC-06

SP-02 CIEP-02 LAB-04 SIL-01 OMB-01 NSC-05 SS-15

STR-04 CEA-01 /103 W
---------- 086161
R 261210Z OCT 76
FM AMEMBASSY ANKARA
TO SECSTATE WASHDC 5261
INFO AMEMBASSY TEHRAN

UNCLAS ANKARA 8154

E.O.11652: N/A
TAGS: ELTN, EINV, TU, IR
SUBJECT: TURKEY-IRAN $1.2 BILLION FRAME AGREEMENT AND TIR TRANSIT DISCUSSIONS

REF: A) 75 ANKARA 7916 B) 75 TEHRAN 10436 C) ANKARA 0327
D) TEHRAN 0187 E) WESTLEY MEMO, SEPTEMBER 29, 1976

1. SUMMARY. ACCORDING TO PRESS AND FOREIGN MINISTRY STATEMENTS, THE TURKISH AND IRANIAN GOVERNMENTS MAY FINALLY BE MOVING ON IMPLEMENTATION OF FIVE-YEAR $1.2-BILLION FRAME AGREEMENT SIGNED BETWEEN THE TWO COUNTRIES IN OCTOBER 1975 (REF A AND B), AN AGREEMENT WHICH COULD PROVIDE IN-CREASED OPPORTUNITIES FOR U.S. EXPORTS TO TURKEY.
THIS AGREEMENT WAS FOR ALL PRACTICAL PURPOSES PLACED IN ABEYANCE AFTER DIFFERENCES AROSE BETWEEN TURKEY AND IRAN IN JANUARY 1976 OVER LARGE INCREASE IN TIR TRANSIT FEES UNILATERALLY IMPOSED BY GOT (REF C AND D). VISIT OF IRANIAN MINISTER OF COMMERCE TASLIMI TO TURKEY IN EARLY OCTOBER SEEMS TO HAVE MOVED TALKS ALONG AND GOT ANNOUNCED LAST WEEK THAT MINISTER OF TRANSPORTATION MENTESE AND MINISTER OF FINANCE ERGENEKON WILL GO TO TEHRAN IN EARLY NOVEMBER FOR FURTHER NEGOTATIONS.
UNCLASSIFIED

UNCLASSIFIED

PAGE 02 ANKARA 08154 261307Z

END OF SUMMARY.

Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006

Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006

2. TURKS CONSIDER, PERHAPS CORRECTLY, THAT SHAH BLOCKED RAPID IMPLEMENTATION OF FRAME AGREEMENT IN RETALIATION FOR GOT UNILATERAL DECISION IN DECEMBER 1975 TO RAISE TIR TRANSIT FEES FROM NOMINAL 15 KURUS PER TON/KILOMETER TO 25 OR 40 KURUS PER TON/KILOMETER. TURKS IN TURN HAVE BEEN RELUCTANT FOR ECONOMIC AND POLITICAL REASONS TO ALLOW IRANIAN-REGISTERED VEHICLES SPECIAL LOW FEES. WE UNDERSTAND HOWEVER, THAT OVER LAST FEW MONTHS UNDER INFORMAL ARRANGEMENTS BETWEEN GOT AND GOI, IRANIAN REGISTERED VEHICLES ARE BEING CHARGED 25 KURUS PER TON/ KILOMETER.

3. TURKISH PRESS SINCE TASLIMI VISIT HAS SPECULATED ON POSSIBILITY THAT THERE WILL BE ESTABLISHMENT OF JOINT- IRANIAN TURKISH SHIPPING COMPANY. SINCE TURKISH-REGISTERED VEHICLES UNDER TERMS OF TURKISH COUNCIL OF MINISTERS DECREE CAN BE VIRTUALLY EXEMPTED FROM PAYMENT OF TIR TRANSIT FEES, THIS WOULD RESULT IN REAL SAVINGS FOR GOI.

4. COMMENT: COMPROMISE BETWEEN TURKEY AND IRAN OVER TIR TRANSIT ISSUE COULD LEAD TO RELATIVELY RAPID IMPLEMENTATION OF FRAME AGREEMENT. IF TEHRAN WERE TO MAKE ADVANCE PAYMENT OF $600 MILLION AS INITIALLY VISUALIZED (75 TEHRAN 11097), IMPACT ON TURKEY COULD BE GREAT. IT WOULD EASE THE SHORTAGE OF FOREIGN EXCHANGE, INCREASE INTERNATIONAL BANKING CONFIDENCE IN TURKEY, AND MIGHT THEREFORE STRENGTHEN PRIMIN DEMIREL'S REELECTION PROSPECTS. IMPLEMENTATION OF TURKEY-IRAN FRAME AGREE- MENT CAN ALSO BE EXPECTED TO PROVIDE INCREASE U.S. OPPORTUNITIES FOR EXPORTS TO TURKEY.
MACOMBER

UNCLASSIFIED

NNN

Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: PRESS COMMENTS, ECONOMIC COOPERATION, TRUCKS, ECONOMIC AGREEMENTS, JOINT VENTURES
Control Number: n/a
Copy: SINGLE
Draft Date: 26 OCT 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976ANKARA08154
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D760399-0661
From: ANKARA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19761019/aaaaapza.tel
Line Count: 92
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EUR
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: 75 ANKARA 7916, 75 TEHRAN 10436, 76 ANKARA 327
Review Action: RELEASED, APPROVED
Review Authority: buchant0
Review Comment: n/a
Review Content Flags:
Review Date: 16 AUG 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <16 AUG 2004 by cookms>; APPROVED <27 DEC 2004 by buchant0>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: TURKEY-IRAN $1.2 BILLION FRAME AGREEMENT AND TIR TRANSIT DISCUSSIONS
TAGS: ELTN, EINV, TU, IR
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006